

JOURNAL

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BPA BUYS CONDON WIND

BPA is buying the entire output of the Condon Wind Project for 20 years. The first turbines should be spinning by the end of December. By mid-2002, all 83 turbines should be online. The 49.8-megawatt capacity project will produce about 13 average megawatts, enough to supply about 6,350 people. The project is located on private farmland in Gilliam County, Ore. SeaWest Wind Power of San Diego, Calif., is the project developer.

The Condon project will enlarge BPA's portfolio of environmentally preferred "green" power and provide data to assess the impact of adding large amounts of wind power to BPA's system in the future. Power from the Condon project will cost about 5.5 cents per kilowatt-hour.

Secretary of Energy Spencer Abraham lauded the purchase, saying, "This project is a step forward in our efforts to diversify energy resources and strengthen America's energy security."



Falling snow and rising wind turbines at the Condon Wind Project both bode well for future Columbia Basin power supplies (upper left). In the very near future, turbines will begin to spin at Condon as they do at the Wyoming Wind project (lower right). Photos courtesy of George Darr and SeaWest.

BPA AFFIRMS RTO DIRECTION

BPA Acting Administrator Steve Wright and other BPA representatives met in November with members of the Idaho Consumer-Owned Utility Association to discuss the progress of the developing RTO West, the proposed regional transmission organization that will operate and maintain high voltage transmission systems in the Northwest plus parts of adjoining states and British Columbia. Fifteen public utilities and entities were represented.

Wright emphasized that creating an RTO that meets BPA's principles appears to be in the public interest. "We have a chance to push this across the goal line, develop an RTO that benefits the consumers of this region and develop a national model for RTO formation," Wright said. He delivered five key messages:

- From a national perspective, RTOs have clear momentum and bi-partisan support for moving forward.
- The Northwest's best approach is to work together to shape an RTO that fits the region's needs.
- An RTO must meet BPA's principles before the agency will join.



- This is a critical time - the region must address all outstanding issues before a comprehensive filing scheduled for next March 1.
- An independent cost-benefit report is underway.

BPA's principles are on the Web at http://www.bpa.gov/corporate/kc/regionalization/rto_principles.shtml.

RTO WEST FILES STATUS REPORT WITH FERC

RTO West representatives submitted a status report to the Federal Energy Regulatory Commission on Nov. 30. The filing, in response to an April 26 FERC order, addresses seams resolutions, participation by Canadian entities, framework for the formation of a West-wide RTO, and a timetable. More notably, it includes a vision for the West that reflects the framework for a seamless West-wide market.

RTO West's goal is to create three fully operational RTOs in the region (RTO West, WestConnect, and California ISO), which will work together to create a single market for transmission services. The report holds that RTO formation "is achievable in the near term if three RTOs form the initial organizational base...In the future it may be possible to consolidate the initial three RTOs into fewer RTOs."

While the majority of the filing utilities (Avista, BC Hydro, BPA, Idaho Power, Montana Power, PacifiCorp, and Puget Sound Energy) are signing onto the filing, Portland General Electric, Sierra Pacific and Nevada Power indicated that they cannot support the report's assertion that three RTOs are a necessary first step. They intend to make a separate filing to FERC on this point. The status report will be posted on the Web at <http://www.rtowest.org/tage2DraftDec1StatusRppt.htm>.

TIME TO DEFINE BPAs POST-2006 OBLIGATIONS

The Northwest should decide as soon as possible how to share the resources of the Federal Columbia River Power System after 2006 when the current BPA power rate period ends, Acting Administrator Steve Wright told a group of BPA customers in November. BPA expects to facilitate a process shortly after the first of the year that will allow the region to address post-2006 issues. The challenge will be for all participants to "determine where the public interest truly lies," he said. BPA's obligation to serve occurs when it has a contract placed on it, Wright said. BPA does not want to wait until a year before contracts start to find out what its contractual commitments are, he added. Under those circumstances, BPA and its customers could be caught with little time to arrange power supply, in a high priced market..

"We need to make decisions soon," Wright said, "so that those who need to build resources can get the contractual sales commitments they need to arrange financing for construction." The alternatives, he suggested, are that new generation would not be built or would be built and committed to load outside the region.

VERNITA BAR OPERATIONS END SUCCESSFULLY

Columbia River operations for chinook spawning at Vernita Bar concluded Nov. 18. Biologists visiting the spawning area found thousands of redds - nests of fish eggs - and characterized the spawn as very good. From now until spring, when the eggs hatch and the young leave their nests, operators will maintain a minimum flow from Priest Rapids Dam of 50,000 cubic feet per second to keep the redds covered with water. Vernita Bar operations require steady, low flows in the mid-Columbia to encourage chinook to spawn in spots that can be kept submerged through the winter.

PUBLIC INVOLVEMENT

STATUS REPORTS

Blackfeet Wind Project EIS, Glacier Co., Mont.
SeaWest WindPower, Inc. proposes to build and operate up to 66 megawatts of wind generation on the Blackfeet Indian Reservation. BPA is considering purchasing up to the full electrical output. Power would be integrated into the transmission grid at Glacier Electric Cooperative and Montana Power Co. facilities. A draft EIS is expected in spring 2002. [E]

Cliff's Energy Project ROD, Klickitat Co., Wash.
BPA is analyzing whether to provide transmission integration services for a combustion turbine proposed by GNA Energy, LLC. The company would build the power plant, five miles of new natural gas line, and 700 feet of 230-kV transmission line to BPA's Harvalum Substation. Klickitat County issued a Mitigated Determination of Non-Significance in May 2001. A recent change in the project may require supplemental analysis and further public comment when details of changes are known. The ROD is expected in January 2002.

Coeur d'Alene Tribe Trout Production Facility Project EA, Kootenai Co., Idaho
BPA would fund design, construction, operation and maintenance of a trout hatchery and related facilities to provide off-site mitigation for salmon and steelhead losses on the mainstem Columbia River. The project is on hold while the tribe reevaluates its proposal based on Power Planning Council comments.

Federal Columbia River Power System Implementation Plan, Regionwide.
This is the federal draft plan for Columbia River Power System Operations in 2002-2006 to carry out biological opinions issued under the Endangered Species Act. Federal agencies closed comments on the draft implementation plan on Sept. 28. See www.salmonrecovery.gov. [E]

Fish and Wildlife Implementation Plan EIS, Regionwide.
This EIS examines potential impacts of implementing any of the fish and wildlife policy directions being considered in regional processes. BPA received public comments on the Draft EIS in summer 2001 (#0312); the final EIS is expected this winter. [E]

Grande Ronde and Imnaha Spring Chinook Project EIS, Wallowa and Union Cos., Ore.
This project would build fish trapping, rearing and release facilities to help restore spring chinook in the Lostine and Imnaha rivers of Northeast Oregon. Planned facilities will modify and supplement existing Lower Snake River Compensation Plan facilities. Public scoping meetings will be held January 15, 16 and 17, 2002. Comments can be submitted until January 31, 2002. [E]

Horse Heaven Wind Project EIS, Benton Co., Wash.
BPA proposes to purchase up to 50 average megawatts from a 225-MW wind project proposed by Washington Winds Inc. The developer would build, own and operate the project and would build about 12 miles of transmission line to interconnect with BPA's transmission grid. Public comments were taken through Nov. 14. [E]

Johnson Creek Artificial Propagation Enhancement EA, Valley Co., Idaho

This project would seek to recover the creek's depleted native summer chinook salmon population. It would include additional facilities at the McCall Fish Hatchery in McCall, Idaho, and acclimation facilities along Johnson Creek. Scoping concluded March 30, 2001. An EA will be available for public comment in spring 2002. [E]

Kangley-Echo Lake Transmission Line Project EIS, King Co., Wash.

BPA proposes to build a 500-kV transmission line to connect an existing transmission line near Kangley to Echo Lake Substation. BPA's preferred alternative would run parallel to its existing Raver-Echo Lake 500-kV line. The project is needed to improve transmission system reliability and to meet requirements of the Columbia River Treaty with Canada. All five routes under consideration pass through the Cedar River Municipal Watershed. Six other potential alternatives were dropped from further consideration for not meeting the project's purpose and need. The comment period on the draft EIS (#0317) closed Sept. 4. A final EIS is expected in spring 2002. [E]

Maiden Wind Farm EIS, Benton and Yakima Cos., Wash.
Washington Winds Inc. proposes to build and operate a wind project of 150-494 megawatts north of Prosser. BPA proposes to acquire and transmit up to 50 MW, but will study the full electrical output of the project. The draft EIS is expected out for review this winter.

McNary-John Day Transmission Line Project EIS, between McNary and John Day dams, Ore. and Wash.
BPA proposes to build about 79 miles of new 500-kV transmission line parallel to existing BPA lines from McNary Substation to John Day Substation. It would cross the Columbia River below McNary Dam, run parallel to the north side of the Columbia through Benton and Klickitat counties, and cross back into Oregon near John Day Dam. It is needed to integrate some of the many new generating projects considered for this area, and to reinforce transmission reliability. Scoping closed on June 7. The draft EIS is expected out for review in early February 2002. [E]

Mercer Ranch Generation Project EIS, Benton Co., Wash.
BPA is working with the Washington State Energy Facility Site Evaluation Council on environmental review of an 850-megawatt combined-cycle combustion turbine 11 miles west of Paterson proposed by Cogentrix Energy, Inc. To integrate project power into the transmission grid, BPA would build and operate a switchyard that would connect to two existing and one proposed transmission lines that cross the proposed project site. The Washington Energy Facility Site Evaluation Council is the lead agency for environmental review of the project. A draft EIS is expected by April 2002. For information, look on the Web site at <http://www.efsec.wa.gov/mercerc.html>.

Mint Farm Generation Project, Longview, Wash.
BPA is considering integrating power from Mint Farm Generation's proposed 319-megawatt combined-cycle combustion turbine near Longview, Wash. BPA would build and operate about a quarter mile of new 230-kV transmission line. A ROD is expected later this year. A public meeting was held Nov. 28, and comments can be submitted until Dec. 6, 2001.



MORE PUBLIC INVOLVEMENT

Mountain Lakes Trout Restoration Project EA, Flathead National Forest, Mont.

BPA proposes to fund a project to remove exotic trout species from selected lakes in the South and Middle forks of the Flathead drainage and replace them with genetically pure westslope cutthroat trout. Call to join the mail list.

Santiam-Bethel Transmission Line Project EA, Marion and Linn Cos., Ore.

BPA proposes to rebuild 17 miles of the Santiam-Chemawa line from its Santiam Substation to the line's connection to Portland General Electric's Bethel Substation. BPA would replace the existing single-circuit 230-kV line with a double-circuit 230-kV line. The project would relieve overloads on the existing line in winter. BPA originally proposed a new line next to the existing line. As a result of public comments during scoping, BPA changed its proposal from a new single-circuit line to a rebuilt double-circuit line. The preliminary EA comment period closed Oct. 18, 2001. A final EA is expected in December. [E] [S]

Schultz-Hanford Area Transmission Line Project EIS, near Ellensburg to near the Hanford Reservation, Wash. BPA proposes to build a new 500-kV line from Schultz Substation to a new or existing substation near the Hanford Nuclear Reservation. The project is needed to relieve constraints on several lines, provide more operational flexibility to meet endangered salmon obligations and maintain transmission capacity to import and export energy. Four routes are under consideration. Following public comments in scoping, BPA eliminated one potential route and identified a new option to avoid most irrigated farmland. A draft EIS is expected early next year. Information on the project is posted on BPA's Web site at www.efw.bpa.gov under environmental planning/analysis.

Starbuck Power Project EIS, Columbia and Walla Walla Cos., Wash.

BPA proposes to construct about 16 miles of 500-kV transmission line from the proposed Starbuck Power Plant to Lower Monumental Substation to connect the 1,200-megawatt, combined-cycle combustion turbine into the power grid. Existing lines are near capacity. BPA is cooperating with the Washington Energy Facility Site Evaluation Council, which has the lead for environmental review of the generation project; BPA has the lead on integrating transmission. About 50 people attended a public scoping meeting Oct. 3. A draft EIS is expected in February 2002. See <http://www.efsec.wa.gov/starbuck.html>. [E] [S]

TransAlta Centralia LLC Big Hanford Generation Project, Lewis Co., Wash.

BPA will offer contract terms for integrating power from the TransAlta Centralia LLC Big Hanford Project, a 248-megawatt gas-fired combined-cycle combustion turbine power generation project, into the transmission grid. For a copy of the ROD, go to <http://www.efw.bpa.gov/cgi-bin/PSA/NEPA/SUMMARIES/TransAlta>. [E] [S]

Umatilla Generating Project EIS, Umatilla Co., Ore.

Umatilla Generating Co., LP., proposes to build a 550-megawatt combined-cycle combustion turbine generation

plant. The Umatilla Electric Cooperative would reconductor about 11 miles of transmission to 230-kV, and build about a half mile of new 230-kV line to BPA's McNary Substation, where BPA would integrate the power with the transmission grid. The draft EIS comment period ended Oct. 15. (#0324). A final EIS is expected in December. See <http://www.efw.bpa.gov/cgi-bin/PSA/NEPA/SUMMARIES/Umatilla>, for information. [E] [S]

Wallula-McNary Transmission Line/Wallula Power Project EIS, Walla Walla Co., Wash., and Umatilla Co., Ore.

BPA proposes to build 34 miles of 500-kV transmission line from a 1,300 megawatt combined-cycle gas-fired combustion turbine in Wallula, Wash., to McNary Substation, Ore., proposed by Newport Northwest, LLC. BPA is working with the Washington Energy Facility Site Evaluation Council on environmental review of the entire project. A draft EIS is expected in February 2002. See <http://www.efsec.wa.gov/wallula.html>. [E] [S]

NEW! Wanapa Energy Center Generation Project EIS, Umatilla Co., Ore.

The Confederated Tribes of the Umatilla Indian Reservation have requested interconnection of the Wanapa Energy Center, a proposed new 1,000-megawatt gas-fired combined-cycle combustion turbine power generation project, into the transmission grid. The project would be located on land held in trust by the United States for the benefit of the tribes. The Bureau of Indian Affairs intends to prepare an EIS on the project (see 66 Fed. Reg. 53430, Oct. 22, 2001) and BPA has requested to be a cooperating agency. BIA held public meetings on Oct. 29 and 30, and Nov. 5 and 6. BIA expects to release the draft EIS in April 2002.

[E] [S] SUPPLEMENT ANALYSES

Vegetation Management EIS:

- Along Marion-Alvey #1, Eugene, Ore. (SA-27)

Watershed Management EIS:

- Acquire Tucannon River Water Rights, Wash. (SA-65)
- Install Fish Screens to Protect ESA Listed Steelhead and Bull Trout in the Walla Walla Basin, Wash. (SA-67)
- Mill Creek and Little Creek Crossing, Ore. (SA-68)
- Oregon Water Trust Water Right Acquisition Program, (SA-66)
- Yakima Basin Side Channels, Scatter Creek/Plum Creek Land Acquisition Phase I, Wash. (SA-70)
- Yakima Basin Side Channels, Easton Reach Land Acquisition, Wash. (SA-64)

Wildlife Management Program EIS:

- Eugene Wetlands Acquisition Phase II, Ore. (SA-18)

[E] [S] CALENDAR OF EVENTS

Grande Ronde and Imnaha Spring Chinook EIS Public Scoping Meetings, Imnaha Christian Fellowship, 78782 Imnaha Highway, Imnaha, Ore., 7:00 p.m. Jan. 15; South Fork Grange, 131 Highway 82, Lostine, Ore., 7:00 p.m. Jan. 16; Eastern Oregon University, Hoke Hall, 1 University Blvd., LaGrande, Ore., 7:00 p.m. Jan. 17.

If you have questions or comments, or to be added to the mailing list for any project, call (503) 230-3478 (Portland) or 1-800-622-4519.

[E] Indicates the comment period has closed. [S] Indicates a document is available. To order copies of documents, call: 1-800-622-4520 or (503) 230-7334. Written comments may be sent to: BPA, P.O. Box 12999, Portland, OR 97212. E-mail address: comment@BPA.gov BPA home page: <http://www.bpa.gov>. For details on BPA environmental reviews listed above, including site maps and documents issued to date, see <http://www.efw.bpa.gov/cgi-bin/PSA/NEPA/Projects>.

Process Abbreviations: EA – Environmental Assessment, EIS – Environmental Impact Statement, FONSI – Finding of No Significant Impact, ROD – Record of Decision, SA – Supplement Analysis.

CHUM OPERATIONS BEGIN

This year's operations to help threatened chum salmon below Bonneville Dam began Nov. 20, shortly after chinook salmon finished spawning in the Vernita Bar upstream, under an agreement among tribes and federal and state agencies. Chum, coho and chinook were seen a few days earlier



spawning in Hardy and Hamilton creeks, three miles below Bonneville Dam. Recent rains raised river and creek levels and fish started building redds both in the mainstem near Ives Island and in the two target creeks. To protect these redds, water will be released from Bonneville Dam to maintain a river elevation of 11 feet above sea level from now until spring. The level may be raised if needed depending on weather conditions. To maintain the water level, flows from Bonneville Dam will vary daily depending on tides and local runoff.

Chum operations may produce some surplus energy, which BPA will sell as available. How much and when will depend on the rain, the tides and loads. The operations usually begin by Nov. 1, but this year they were held up to coordinate with the Vernita Bar Agreement that supports chinook spawning below Priest Rapids Dam on the upper Columbia River.

FISH TRANSPORT PROVIDES SAFE PASSAGE

Transporting fish downstream provided safe passage for more than 22.3 million juvenile salmon and steelhead this year, including about 90 percent of Snake River salmon and steelhead and about 50 percent of the summer migrants in the mainstem Columbia, according to the U.S.

Army Corps of Engineers. "The transportation program is especially useful in low water years such as this," said Dave Hurson of the Corps' Walla Walla District. The survival rate of fish transported by barge averages 98 percent. The latest research shows that about twice as many transported fish return to spawn as fish that travel in-river to below Bonneville Dam, the Corps reported.

The system survival rate for Snake River spring migrants, which reflects the combined survival rate of both in-river and transported migrants, is estimated at 45-64 percent.

2002 FISH IMPLEMENTATION PLAN IS OUT

BPA, the U.S. Army Corps of Engineers and the Bureau of Reclamation have released their annual Implementation Plan for 2002, as required under the National Marine Fisheries Service and Fish and Wildlife Service 2000 Biological Opinions for the Federal Columbia River Power System. The plan incorporates many of the actions BPA funds under the Northwest Power Planning Council's Fish and Wildlife Plan, as well as still-to-be-completed new projects approved under the BPA high priority solicitations in 2001. It also includes \$81 million in capital improvements at the dams to assist fish passage and hydro operations strategies.

DOE BUYS MORE BPA GREEN POWER

The U.S. Department of Energy's Richland, Wash., office has increased its purchases of environmentally preferred power from BPA by half-a-megawatt. This brings DOE's green power purchases from BPA for the Hanford site to 1.5 average megawatts for the first two years and 1 aMW for the last three of the current BPA rate period.



CFL PROGRAM A HUGE SUCCESS

Northwest ratepayers have redeemed more than two million coupons for ENERGY STAR® compact fluorescent light bulbs this year under BPA's CFL promotion program. Many people are now buying CFLs without the coupons. The retail prices of the CFLs have dropped from \$15 three years ago to about \$6 today while the quality has improved. Satisfaction with the products was very high (81 percent of recent buyers were satisfied or very satisfied according to a recent customer survey). Since the program has achieved its goal of building market acceptance of CFLs, the CFL rebate will be suspended. The program will continue by focusing on other lighting products such as torchieres. BPA has the option to offer another CFL coupon rebate later in the year should the market require further stimulus.

ALL NEW CONTRACTS STICK

All 141 of BPA's new power sales contracts with its utility, federal and direct-service industrial customers that went into effect on Oct. 1 remain in place today. The contracts contained a 30-day cancellation clause that expired Nov. 1, allowing any customer that wanted to cancel its BPA power purchases and go with a different supplier to do so. None did so.

"We're grateful for our customers' support," said BPA Vice President for Requirements Marketing Allen Burns. "Six years ago, when our rates were above market, a lot of customers wanted out. Some who went to market wound up paying hundreds or even thousands of dollars per megawatt-hour during the California power crisis. After that, I guess BPA's cost-based rates look pretty good. However, our goal continues to be to reduce the 46 percent cost recovery adjustment clause in the future so our customers can

reduce their retail rates. Lower electric rates will help with the economic recovery of the region, and our customers and the citizens of the Northwest should expect nothing less of BPA."

"REMEDIAL ACTION SCHEMES" WORK

Power flow on the California-Oregon Intertie was crimped to just 600 megawatts north to south, and the Northern Intertie to Canada was limited to 800 megawatts over a recent weekend to see if systems - called Remedial Action Schemes - that are supposed to stop power outages from ricocheting through the Western grid really work. Normal capacities are 4,800 megawatts and 3,675 megawatts, respectively. Within one-quarter of a second after a serious power system problem, Remedial Action Schemes act to protect the system. Such schemes can divide the Western power grid into two islands, trip up to 2,850 megawatts of generation, insert reactive support at eight different substations and turn on a huge braking resistor to help stabilize the system. The Western States Coordinating Council requires an annual test of remedial action schemes, and this year's results indicate that they are effective.

CCC DRAWS TO A CLOSE

BPA's Community Conservation Challenge will draw to a close this month, culminating with a drawing for a hybrid gasoline-electric car to be held after Dec. 15. So far, Northwest residents have returned 14,500 total pledge cards to save energy during the campaign. The 8,000 pledge cards tallied so far pledge installation of over 39,000 compact fluorescent lightbulbs. Cards counted so far are averaging a pledge of about five CFLs each.